



Media Release

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CMS Gives State Greenlight to Reinstate Insurance Premiums

Following Governor Asa Hutchinson's meeting with U.S. Department of Health and Human Services Secretary Sylvia Burwell, Arkansas Medicaid has been given approval to use federal funding to reinstate at least \$7 million in monthly premiums for Private Option enrollees that the state previously recouped from insurance carriers.

During his meeting with Burwell earlier this month, the Governor asked the Secretary to consider allowing the premiums to be re-instated. The state recouped the premiums because processing delays and challenges with state and federal eligibility systems caused Arkansas Medicaid to retro-actively terminate coverage, even when enrollees were still considered eligible under federal rules.

"Restoring the premiums makes it unnecessary for the carriers to try to recoup money from doctors and others who provided care in good faith," said Arkansas Medicaid Director Dawn Stehle. "We appreciate Secretary Burwell and her staff working with us to find a reasonable solution that protects providers and their clients."

DHS will work with the affected insurance carriers to determine how and when the re-instatements will be made. It has already made policy changes to prevent retro-active closures in the future.

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